

In the Senate of the United States,

October 3 (legislative day, September 22), 2000.

Resolved, That the bill from the House of Representatives (H.R. 1143) entitled “An Act to establish a program to provide assistance for programs of credit and other financial services for microenterprises in developing countries, and for other purposes.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Microenterprise for Self-*

3 *Reliance and International Anti-Corruption Act of 2000”.*

1 **SEC. 2. TABLE OF CONTENTS.**

2 *The table of contents for this Act is as follows:*

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—MICROENTERPRISE FOR SELF-RELIANCE ACT OF 2000

Sec. 101. Short title.

Sec. 102. Findings and declarations of policy.

Sec. 103. Purposes.

Sec. 104. Definitions.

Sec. 105. Microenterprise development grant assistance.

Sec. 106. Micro- and small enterprise development credits.

Sec. 107. United States Microfinance Loan Facility.

Sec. 108. Report relating to future development of microenterprise institutions.

Sec. 109. United States Agency for International Development as global leader and coordinator of bilateral and multilateral microenterprise assistance activities.

Sec. 110. Sense of Congress on consideration of Mexico as a key priority in microenterprise funding allocations.

TITLE II—INTERNATIONAL ANTI-CORRUPTION AND GOOD GOVERNANCE ACT OF 2000

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Sec. 203. Development assistance policy.

Sec. 204. Department of the Treasury technical assistance program for developing countries.

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TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Support for Overseas Cooperative Development Act.

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Sec. 408. Paul D. Coverdell Fellows Program Act of 2000.

1 ***TITLE I—MICROENTERPRISE***
2 ***FOR SELF-RELIANCE ACT OF 2000***

3 ***SEC. 101. SHORT TITLE.***

4 *This title may be cited as the “Microenterprise for Self-*
5 *Reliance Act of 2000”.*

6 ***SEC. 102. FINDINGS AND DECLARATIONS OF POLICY.***

7 *Congress makes the following findings and declara-*
8 *tions:*

9 (1) *According to the World Bank, more than*
10 *1,200,000,000 people in the developing world, or one-*
11 *fifth of the world’s population, subsist on less than \$1*
12 *a day.*

13 (2) *Over 32,000 of their children die each day*
14 *from largely preventable malnutrition and disease.*

15 (3)(A) *Women in poverty generally have larger*
16 *work loads and less access to educational and eco-*
17 *nomie opportunities than their male counterparts.*

18 (B) *Directly aiding the poorest of the poor, espe-*
19 *cially women, in the developing world has a positive*
20 *effect not only on family incomes, but also on child*
21 *nutrition, health and education, as women in par-*
22 *ticular reinvest income in their families.*

23 (4)(A) *The poor in the developing world, par-*
24 *ticularly women, generally lack stable employment*
25 *and social safety nets.*

1 (B) Many turn to self-employment to generate a
2 substantial portion of their livelihood. In Africa, over
3 80 percent of employment is generated in the infor-
4 mal sector of the self-employed poor.

5 (C) These poor entrepreneurs are often trapped
6 in poverty because they cannot obtain credit at rea-
7 sonable rates to build their asset base or expand their
8 otherwise viable self-employment activities.

9 (D) Many of the poor are forced to pay interest
10 rates as high as 10 percent per day to money lenders.

11 (5)(A) The poor are able to expand their incomes
12 and their businesses dramatically when they can ac-
13 cess loans at reasonable interest rates.

14 (B) Through the development of self-sustaining
15 microfinance programs, poor people themselves can
16 lead the fight against hunger and poverty.

17 (6)(A) On February 2–4, 1997, a global Micro-
18 credit Summit was held in Washington, District of
19 Columbia, to launch a plan to expand access to credit
20 for self-employment and other financial and business
21 services to 100,000,000 of the world's poorest families,
22 especially the women of those families, by 2005. While
23 this scale of outreach may not be achievable in this
24 short time-period, the realization of this goal could
25 dramatically alter the face of global poverty.

1 (B) *With an average family size of five, achiev-*
2 *ing this goal will mean that the benefits of micro-*
3 *finance will thereby reach nearly half of the world's*
4 *more than 1,000,000,000 absolute poor people.*

5 (7)(A) *Nongovernmental organizations, such as*
6 *those that comprise the Microenterprise Coalition*
7 *(such as the Grameen Bank (Bangladesh,) K-REP*
8 *(Kenya), and networks such as Accion International,*
9 *the Foundation for International Community Assist-*
10 *ance (FINCA), and the credit union movement) are*
11 *successful in lending directly to the very poor.*

12 (B) *Microfinance institutions such as BRAC*
13 *(Bangladesh), BancoSol (Bolivia), SEWA Bank*
14 *(India), and ACEP (Senegal) are regulated financial*
15 *institutions that can raise funds directly from the*
16 *local and international capital markets.*

17 (8)(A) *Microenterprise institutions not only re-*
18 *duce poverty, but also reduce the dependency on for-*
19 *eign assistance.*

20 (B) *Interest income on the credit portfolio is*
21 *used to pay recurring institutional costs, assuring the*
22 *long-term sustainability of development assistance.*

23 (9) *Microfinance institutions leverage foreign as-*
24 *sistance resources because loans are recycled, gener-*
25 *ating new benefits to program participants.*

1 (10)(A) *The development of sustainable micro-*
2 *finance institutions that provide credit and training,*
3 *and mobilize domestic savings, is a critical compo-*
4 *nent to a global strategy of poverty reduction and*
5 *broad-based economic development.*

6 (B) *In the efforts of the United States to lead the*
7 *development of a new global financial architecture,*
8 *microenterprise should play a vital role. The recent*
9 *shocks to international financial markets demonstrate*
10 *how the financial sector can shape the destiny of na-*
11 *tions. Microfinance can serve as a powerful tool for*
12 *building a more inclusive financial sector which*
13 *serves the broad majority of the world's population*
14 *including the very poor and women and thus generate*
15 *more social stability and prosperity.*

16 (C) *Over the last two decades, the United States*
17 *has been a global leader in promoting the global*
18 *microenterprise sector, primarily through its develop-*
19 *ment assistance programs at the United States Agen-*
20 *cy for International Development. Additionally, the*
21 *Department of the Treasury and the Department of*
22 *State have used their authority to promote micro-*
23 *enterprise in the development programs of inter-*
24 *national financial institutions and the United Na-*
25 *tions.*

1 (11)(A) *In 1994, the United States Agency for*
2 *International Development launched the “Microenter-*
3 *prise Initiative” in partnership with the Congress.*

4 (B) *The initiative committed to expanding fund-*
5 *ing for the microenterprise programs of the Agency,*
6 *and set a goal that, by the end of fiscal year 1996,*
7 *one-half of all microenterprise resources would sup-*
8 *port programs and institutions that provide credit to*
9 *the poorest, with loans under \$300.*

10 (C) *In order to achieve the goal of the micro-*
11 *credit summit, increased investment in microfinance*
12 *institutions serving the poorest will be critical.*

13 (12) *Providing the United States share of the*
14 *global investment needed to achieve the goal of the*
15 *microcredit summit will require only a small increase*
16 *in United States funding for international micro-*
17 *credit programs, with an increased focus on institu-*
18 *tions serving the poorest.*

19 (13)(A) *In order to reach tens of millions of the*
20 *poorest with microcredit, it is crucial to expand and*
21 *replicate successful microfinance institutions.*

22 (B) *These institutions need assistance in devel-*
23 *oping their institutional capacity to expand their*
24 *services and tap commercial sources of capital.*

1 (14) *Nongovernmental organizations have dem-*
2 *onstrated competence in developing networks of local*
3 *microfinance institutions and other assistance deliv-*
4 *ery mechanisms so that they reach large numbers of*
5 *the very poor, and achieve financial sustainability.*

6 (15) *Recognizing that the United States Agency*
7 *for International Development has developed very ef-*
8 *fective partnerships with nongovernmental organiza-*
9 *tions, and that the Agency will have fewer missions*
10 *overseas to carry out its work, the Agency should*
11 *place priority on investing in those nongovernmental*
12 *network institutions that meet performance criteria*
13 *through the central funding mechanisms of the Agen-*
14 *cy.*

15 (16) *By expanding and replicating successful*
16 *microfinance institutions, it should be possible to cre-*
17 *ate a global infrastructure to provide financial serv-*
18 *ices to the world's poorest families.*

19 (17)(A) *The United States can provide leader-*
20 *ship to other bilateral and multilateral development*
21 *agencies as such agencies expand their support to the*
22 *microenterprise sector.*

23 (B) *The United States should seek to improve co-*
24 *ordination among G-7 countries in the support of the*
25 *microenterprise sector in order to leverage the invest-*

1 *ment of the United States with that of other donor*
2 *nations.*

3 (18) *Through increased support for microenter-*
4 *prise, especially credit for the poorest, the United*
5 *States can continue to play a leadership role in the*
6 *global effort to expand financial services and oppor-*
7 *tunity to 100,000,000 of the poorest families on the*
8 *planet.*

9 **SEC. 103. PURPOSES.**

10 *The purposes of this title are—*

11 (1) *to make microenterprise development an im-*
12 *portant element of United States foreign economic*
13 *policy and assistance;*

14 (2) *to provide for the continuation and expan-*
15 *sion of the commitment of the United States Agency*
16 *for International Development to the development of*
17 *microenterprise institutions as outlined in its 1994*
18 *Microenterprise Initiative;*

19 (3) *to support and develop the capacity of*
20 *United States and indigenous nongovernmental orga-*
21 *nization intermediaries to provide credit, savings,*
22 *training, technical assistance, and business develop-*
23 *ment services to microentrepreneurs;*

24 (4) *to emphasize financial services and substan-*
25 *tially increase the amount of assistance devoted to*

1 *both financial services and complementary business*
2 *development services designed to reach the poorest*
3 *people in developing countries, particularly women;*
4 *and*

5 *(5) to encourage the United States Agency for*
6 *International Development to coordinate microfinance*
7 *policy, in consultation with the Department of the*
8 *Treasury and the Department of State, and to pro-*
9 *vide global leadership among bilateral and multilat-*
10 *eral donors in promoting microenterprise for the*
11 *poorest of the poor.*

12 **SEC. 104. DEFINITIONS.**

13 *In this title:*

14 *(1) BUSINESS DEVELOPMENT SERVICES.—The*
15 *term “business development services” means support*
16 *for the growth of microenterprises through training,*
17 *technical assistance, marketing assistance, improved*
18 *production technologies, and other services.*

19 *(2) MICROENTERPRISE INSTITUTION.—The term*
20 *“microenterprise institution” means an institution*
21 *that provides services, including microfinance, train-*
22 *ing, or business development services, for microentre-*
23 *preneurs.*

24 *(3) MICROFINANCE INSTITUTION.—The term*
25 *“microfinance institution” means an institution that*

1 *directly provides, or works to expand, the availability*
 2 *of credit, savings, and other financial services to*
 3 *microentrepreneurs.*

4 (4) *PRACTITIONER INSTITUTION.*—*The term*
 5 *“practitioner institution” means any institution that*
 6 *provides services, including microfinance, training, or*
 7 *business development services, for microentrepreneurs,*
 8 *or provides assistance to microenterprise institutions.*

9 **SEC. 105. MICROENTERPRISE DEVELOPMENT GRANT AS-**
 10 **SISTANCE.**

11 *Chapter 1 of part I of the Foreign Assistance Act of*
 12 *1961 (22 U.S.C. 2151 et seq.) is amended by adding at the*
 13 *end the following new section:*

14 **“SEC. 131. MICROENTERPRISE DEVELOPMENT GRANT AS-**
 15 **SISTANCE.**

16 *“(a) FINDINGS AND POLICY.—Congress finds and de-*
 17 *clares that—*

18 *“(1) the development of microenterprise is a vital*
 19 *factor in the stable growth of developing countries and*
 20 *in the development of free, open, and equitable inter-*
 21 *national economic systems;*

22 *“(2) it is therefore in the best interest of the*
 23 *United States to assist the development of microenter-*
 24 *prises in developing countries; and*

1 “(3) the support of microenterprise can be served
2 by programs providing credit, savings, training, tech-
3 nical assistance, and business development services.

4 “(b) AUTHORIZATION.—

5 “(1) IN GENERAL.—In carrying out this part,
6 the President is authorized to provide grant assist-
7 ance for programs to increase the availability of cred-
8 it and other services to microenterprises lacking full
9 access to capital training, technical assistance, and
10 business development services, through—

11 “(A) grants to microfinance institutions for
12 the purpose of expanding the availability of cred-
13 it, savings, and other financial services to micro-
14 entrepreneurs;

15 “(B) grants to microenterprise institutions
16 for the purpose of training, technical assistance,
17 and business development services for microenter-
18 prises to enable them to make better use of credit,
19 to better manage their enterprises, and to in-
20 crease their income and build their assets;

21 “(C) capacity-building for microenterprise
22 institutions in order to enable them to better
23 meet the credit and training needs of microentre-
24 preneurs; and

1 “(D) policy and regulatory programs at the
2 country level that improve the environment for
3 microentrepreneurs and microenterprise institu-
4 tions that serve the poor and very poor.

5 “(2) IMPLEMENTATION.—Assistance authorized
6 under paragraph (1) (A) and (B) shall be provided
7 through organizations that have a capacity to develop
8 and implement microenterprise programs, including
9 particularly—

10 “(A) United States and indigenous private
11 and voluntary organizations;

12 “(B) United States and indigenous credit
13 unions and cooperative organizations; or

14 “(C) other indigenous governmental and
15 nongovernmental organizations.

16 “(3) TARGETED ASSISTANCE.—In carrying out
17 sustainable poverty-focused programs under para-
18 graph (1), 50 percent of all microenterprise resources
19 shall be targeted to very poor entrepreneurs, defined
20 as those living in the bottom 50 percent below the
21 poverty line as established by the national government
22 of the country. Specifically, such resources shall be
23 used for—

1 “(A) direct support of programs under this
2 subsection through practitioner institutions
3 that—

4 “(i) provide credit and other financial
5 services to entrepreneurs who are very poor,
6 with loans in 1995 United States dollars
7 of—

8 “(I) \$1,000 or less in the Europe
9 and Eurasia region;

10 “(II) \$400 or less in the Latin
11 America region; and

12 “(III) \$300 or less in the rest of
13 the world; and

14 “(ii) can cover their costs in a reason-
15 able time period; or

16 “(B) demand-driven business development
17 programs that achieve reasonable cost recovery
18 that are provided to clients holding poverty loans
19 (as defined by the regional poverty loan limita-
20 tions in subparagraph (A)(i)), whether they are
21 provided by microfinance institutions or by spe-
22 cialized business development services providers.

23 “(4) SUPPORT FOR CENTRAL MECHANISMS.—The
24 President should continue support for central mecha-
25 nisms and missions, as appropriate, that—

1 “(A) provide technical support for field mis-
2 sions;

3 “(B) strengthen the institutional develop-
4 ment of the intermediary organizations described
5 in paragraph (2);

6 “(C) share information relating to the pro-
7 vision of assistance authorized under paragraph
8 (1) between such field missions and intermediary
9 organizations; and

10 “(D) support the development of nonprofit
11 global microfinance networks, including credit
12 union systems, that—

13 “(i) are able to deliver very small loans
14 through a significant grassroots infrastruc-
15 ture based on market principles; and

16 “(ii) act as wholesale intermediaries
17 providing a range of services to micro-
18 finance retail institutions, including financ-
19 ing, technical assistance, capacity-building,
20 and safety and soundness accreditation.

21 “(5) *LIMITATION.*—Assistance provided under
22 this subsection may only be used to support micro-
23 enterprise programs and may not be used to support
24 programs not directly related to the purposes de-
25 scribed in paragraph (1).

1 “(c) *MONITORING SYSTEM.*—*In order to maximize the*
2 *sustainable development impact of the assistance authorized*
3 *under subsection (b)(1), the Administrator of the agency*
4 *primarily responsible for administering this part shall es-*
5 *tablish a monitoring system that—*

6 “(1) *establishes performance goals for such assist-*
7 *ance and expresses such goals in an objective and*
8 *quantifiable form, to the extent feasible;*

9 “(2) *establishes performance indicators to be*
10 *used in measuring or assessing the achievement of the*
11 *goals and objectives of such assistance;*

12 “(3) *provides a basis for recommendations for*
13 *adjustments to such assistance to enhance the sustain-*
14 *able development impact of such assistance, particu-*
15 *larly the impact of such assistance on the very poor,*
16 *particularly poor women; and*

17 “(4) *provides a basis for recommendations for*
18 *adjustments to measures for reaching the poorest of*
19 *the poor, including proposed legislation containing*
20 *amendments to enhance the sustainable development*
21 *impact of such assistance, as described in paragraph*
22 *(3).*

23 “(d) *LEVEL OF ASSISTANCE.*—*Of the funds made*
24 *available under this part, the FREEDOM Support Act, and*
25 *the Support for East European Democracy (SEED) Act of*

1 1989, including local currencies derived from such funds,
2 there are authorized to be available \$155,000,000 for each
3 of the fiscal years 2001 and 2002, to carry out this section.

4 “(e) *DEFINITIONS.—In this section:*

5 “(1) *BUSINESS DEVELOPMENT SERVICES.—The*
6 *term ‘business development services’ means support*
7 *for the growth of microenterprises through training,*
8 *technical assistance, marketing assistance, improved*
9 *production technologies, and other services.*

10 “(2) *MICROENTERPRISE INSTITUTION.—The term*
11 *‘microenterprise institution’ means an institution*
12 *that provides services, including microfinance, train-*
13 *ing, or business development services, for microentre-*
14 *preneurs.*

15 “(3) *MICROFINANCE INSTITUTION.—The term*
16 *‘microfinance institution’ means an institution that*
17 *directly provides, or works to expand, the availability*
18 *of credit, savings, and other financial services to*
19 *microentrepreneurs.*

20 “(4) *PRACTITIONER INSTITUTION.—The term*
21 *‘practitioner institution’ means any institution that*
22 *provides services, including microfinance, training, or*
23 *business development services, for microentrepreneurs,*
24 *or provides assistance to microenterprise institu-*
25 *tions.”.*

1 **SEC. 106. MICRO- AND SMALL ENTERPRISE DEVELOPMENT**

2 **CREDITS.**

3 *Section 108 of the Foreign Assistance Act of 1961 (22*
4 *U.S.C. 2151f) is amended to read as follows:*

5 **“SEC. 108. MICRO- AND SMALL ENTERPRISE DEVELOPMENT**

6 **CREDITS.**

7 *“(a) FINDINGS AND POLICY.—Congress finds and de-*
8 *clares that—*

9 *“(1) the development of micro- and small enter-*
10 *prises is a vital factor in the stable growth of devel-*
11 *oping countries and in the development and stability*
12 *of a free, open, and equitable international economic*
13 *system; and*

14 *“(2) it is, therefore, in the best interests of the*
15 *United States to assist the development of the enter-*
16 *prises of the poor in developing countries and to en-*
17 *gage the United States private sector in that process.*

18 *“(b) PROGRAM.—To carry out the policy set forth in*
19 *subsection (a), the President is authorized to provide assist-*
20 *ance to increase the availability of credit to micro- and*
21 *small enterprises lacking full access to credit, including*
22 *through—*

23 *“(1) loans and guarantees to credit institutions*
24 *for the purpose of expanding the availability of credit*
25 *to micro- and small enterprises;*

1 “(2) training programs for lenders in order to
2 enable them to better meet the credit needs of micro-
3 entrepreneurs; and

4 “(3) training programs for microentrepreneurs
5 in order to enable them to make better use of credit
6 and to better manage their enterprises.

7 “(c) *ELIGIBILITY CRITERIA.*—The Administrator of
8 the agency primarily responsible for administering this
9 part shall establish criteria for determining which credit
10 institutions described in subsection (b)(1) are eligible to
11 carry out activities, with respect to micro- and small enter-
12 prises, assisted under this section. Such criteria may in-
13 clude the following:

14 “(1) The extent to which the recipients of credit
15 from the entity do not have access to the local formal
16 financial sector.

17 “(2) The extent to which the recipients of credit
18 from the entity are among the poorest people in the
19 country.

20 “(3) The extent to which the entity is oriented
21 toward working directly with poor women.

22 “(4) The extent to which the entity recovers its
23 cost of lending.

24 “(5) The extent to which the entity implements
25 a plan to become financially sustainable.

1 “(d) *ADDITIONAL REQUIREMENT.*—Assistance pro-
 2 vided under this section may only be used to support micro-
 3 and small enterprise programs and may not be used to sup-
 4 port programs not directly related to the purposes described
 5 in subsection (b).

6 “(e) *PROCUREMENT PROVISION.*—Assistance may be
 7 provided under this section without regard to section
 8 604(a).

9 “(f) *AVAILABILITY OF FUNDS.*—

10 “(1) *IN GENERAL.*—Of the amounts authorized to
 11 be available to carry out section 131, there are au-
 12 thorized to be available \$1,500,000 for each of fiscal
 13 years 2001 and 2002 to carry out this section.

14 “(2) *COVERAGE OF SUBSIDY COSTS.*—Amounts
 15 authorized to be available under paragraph (1) shall
 16 be made available to cover the subsidy cost, as defined
 17 in section 502(5) of the Federal Credit Reform Act of
 18 1990, for activities under this section.”.

19 **SEC. 107. UNITED STATES MICROFINANCE LOAN FACILITY.**

20 (a) *IN GENERAL.*—Chapter 1 of part I of the Foreign
 21 Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended
 22 by section 105 of this Act, is further amended by adding
 23 at the end the following new section:

1 **“SEC. 132. UNITED STATES MICROFINANCE LOAN FACILITY.**

2 “(a) *ESTABLISHMENT.*—*The Administrator is author-*
 3 *ized to establish a United States Microfinance Loan Facil-*
 4 *ity (in this section referred to as the ‘Facility’) to pool and*
 5 *manage the risk from natural disasters, war or civil con-*
 6 *flict, national financial crisis, or short-term financial*
 7 *movements that threaten the long-term development of*
 8 *United States-supported microfinance institutions.*

9 “(b) *DISBURSEMENTS.*—

10 “(1) *IN GENERAL.*—*The Administrator shall*
 11 *make disbursements from the Facility to United*
 12 *States-supported microfinance institutions to prevent*
 13 *the bankruptcy of such institutions caused by—*

14 “(A) *natural disasters;*

15 “(B) *national wars or civil conflict; or*

16 “(C) *national financial crisis or other*
 17 *short-term financial movements that threaten the*
 18 *long-term development of United States-sup-*
 19 *ported microfinance institutions.*

20 “(2) *FORM OF ASSISTANCE.*—*Assistance under*
 21 *this section shall be in the form of loans or loan guar-*
 22 *antees for microfinance institutions that demonstrate*
 23 *the capacity to resume self-sustained operations with-*
 24 *in a reasonable time period.*

25 “(3) *CONGRESSIONAL NOTIFICATION PROCEDURE.*—*During each of the fiscal years 2001 and*
 26

1 2002, funds may not be made available from the Fa-
2 cility until 15 days after notification of the proposed
3 availability of the funds has been provided to the con-
4 gressional committees specified in section 634A in ac-
5 cordance with the procedures applicable to re-
6 programming notifications under that section.

7 “(c) *GENERAL PROVISIONS.*—

8 “(1) *POLICY PROVISIONS.*—In providing the
9 credit assistance authorized by this section, the Ad-
10 ministrator should apply, as appropriate, the policy
11 provisions in this part that are applicable to develop-
12 ment assistance activities.

13 “(2) *DEFAULT AND PROCUREMENT PROVI-*
14 *SIONS.*—

15 “(A) *DEFAULT PROVISION.*—The provisions
16 of section 620(q), or any comparable provision of
17 law, shall not be construed to prohibit assistance
18 to a country in the event that a private sector
19 recipient of assistance furnished under this sec-
20 tion is in default in its payment to the United
21 States for the period specified in such section.

22 “(B) *PROCUREMENT PROVISION.*—Assist-
23 ance may be provided under this section without
24 regard to section 604(a).

1 “(3) *TERMS AND CONDITIONS OF CREDIT ASSIST-*
2 *ANCE.*—

3 “(A) *IN GENERAL.*—*Credit assistance pro-*
4 *vided under this section shall be offered on such*
5 *terms and conditions, including fees charged, as*
6 *the Administrator may determine.*

7 “(B) *LIMITATION ON PRINCIPAL AMOUNT OF*
8 *FINANCING.*—*The principal amount of loans*
9 *made or guaranteed under this section in any*
10 *fiscal year, with respect to any single event, may*
11 *not exceed \$30,000,000.*

12 “(C) *EXCEPTION.*—*No payment may be*
13 *made under any guarantee issued under this sec-*
14 *tion for any loss arising out of fraud or mis-*
15 *representation for which the party seeking pay-*
16 *ment is responsible.*

17 “(4) *FULL FAITH AND CREDIT.*—*All guarantees*
18 *issued under this section shall constitute obligations,*
19 *in accordance with the terms of such guarantees, of*
20 *the United States of America, and the full faith and*
21 *credit of the United States of America is hereby*
22 *pledged for the full payment and performance of such*
23 *obligations to the extent of the guarantee.*

24 “(d) *FUNDING.*—

1 “(1) *ALLOCATION OF FUNDS.*—Of the amounts
2 *made available to carry out this part for the fiscal*
3 *year 2001, up to \$5,000,000 may be made available*
4 *for—*

5 “(A) *the subsidy cost, as defined in section*
6 *502(5) of the Federal Credit Reform Act of 1990,*
7 *to carry out this section; and*

8 “(B) *the administrative costs to carry out*
9 *this section.*

10 “(2) *RELATION TO OTHER FUNDING.*—Amounts
11 *made available under paragraph (1) are in addition*
12 *to amounts available under any other provision of*
13 *law to carry out this section.*

14 “(e) *DEFINITIONS.*—In this section:

15 “(1) *ADMINISTRATOR.*—The term ‘Adminis-
16 *trator’ means the Administrator of the agency pri-*
17 *marily responsible for administering this part.*

18 “(2) *APPROPRIATE CONGRESSIONAL COMMIT-*
19 *TEES.*—The term ‘appropriate congressional commit-
20 *tees’ means the Committee on Foreign Relations of the*
21 *Senate and the Committee on International Relations*
22 *of the House of Representatives.*

23 “(3) *UNITED STATES-SUPPORTED MICROFINANCE*
24 *INSTITUTION.*—The term ‘United States-supported
25 *microfinance institution’ means a financial inter-*

1 *mediary that has received funds made available under*
 2 *part I of this Act for fiscal year 1980 or any subse-*
 3 *quent fiscal year.”.*

4 *(b) REPORT.—Not later than 120 days after the date*
 5 *of enactment of this Act, the Administrator of the United*
 6 *States Agency for International Development shall submit*
 7 *to the Committee on Foreign Relations of the Senate and*
 8 *the Committee on International Relations of the House of*
 9 *Representatives a report on the policies, rules, and regula-*
 10 *tions of the United States Microfinance Loan Facility es-*
 11 *tablished under section 132 of the Foreign Assistance Act*
 12 *of 1961, as added by subsection (a).*

13 **SEC. 108. REPORT RELATING TO FUTURE DEVELOPMENT OF**
 14 **MICROENTERPRISE INSTITUTIONS.**

15 *(a) REPORT.—Not later than 180 days after the date*
 16 *of the enactment of this Act, the President shall submit to*
 17 *the appropriate congressional committees a report on the*
 18 *most cost-effective methods and measurements for increas-*
 19 *ing the access of poor people overseas to credit, other finan-*
 20 *cial services, and related training.*

21 *(b) CONTENTS.—The report described in subsection*
 22 *(a)—*

23 *(1) shall include how the President, in consulta-*
 24 *tion with the Administrator of the United States*
 25 *Agency for International Development, the Secretary*

1 of State, and the Secretary of the Treasury, will de-
2 velop a comprehensive strategy for advancing the
3 global microenterprise sector in a way that maintains
4 market principles while ensuring that the very poor
5 overseas, particularly women, obtain access to finan-
6 cial services overseas;

7 (2) shall provide guidelines and recommenda-
8 tions for—

9 (A) instruments to assist microenterprise
10 networks to develop multi-country and regional
11 microlending programs;

12 (B) technical assistance to foreign govern-
13 ments, foreign central banks, and regulatory en-
14 tities to improve the policy environment for
15 microfinance institutions, and to strengthen the
16 capacity of supervisory bodies to supervise
17 microfinance institutions;

18 (C) the potential for Federal chartering of
19 United States-based international microfinance
20 network institutions, including proposed legisla-
21 tion;

22 (D) instruments to increase investor con-
23 fidence in microfinance institutions which would
24 strengthen the long-term financial position of the
25 microfinance institutions and attract capital

1 *from private sector entities and individuals, such*
2 *as a rating system for microfinance institutions*
3 *and local credit bureaus;*

4 *(E) an agenda for integrating microfinance*
5 *into United States foreign policy initiatives seek-*
6 *ing to develop and strengthen the global finance*
7 *sector; and*

8 *(F) innovative instruments to attract funds*
9 *from the capital markets, such as instruments*
10 *for leveraging funds from the local commercial*
11 *banking sector, and the securitization of*
12 *microloan portfolios; and*

13 *(3) shall include a section that assesses the need*
14 *for a microenterprise accelerated growth fund and*
15 *that includes—*

16 *(A) a description of the benefits of such a*
17 *fund;*

18 *(B) an identification of which microenter-*
19 *prise institutions might become eligible for as-*
20 *sistance from such fund;*

21 *(C) a description of how such a fund could*
22 *be administered;*

23 *(D) a recommendation on which agency or*
24 *agencies of the United States Government should*

1 *administer the fund and within which such*
 2 *agency the fund should be located; and*

3 *(E) a recommendation on how soon it*
 4 *might be necessary to establish such a fund in*
 5 *order to provide the support necessary for micro-*
 6 *enterprise institutions involved in microenter-*
 7 *prise development.*

8 *(c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-*
 9 *FINED.—In this section, the term “appropriate congres-*
 10 *sional committees” means the Committee on International*
 11 *Relations of the House of Representatives and the Com-*
 12 *mittee on Foreign Relations of the Senate.*

13 **SEC. 109. UNITED STATES AGENCY FOR INTERNATIONAL**
 14 **DEVELOPMENT AS GLOBAL LEADER AND CO-**
 15 **ORDINATOR OF BILATERAL AND MULTILAT-**
 16 **ERAL MICROENTERPRISE ASSISTANCE AC-**
 17 **TIVITIES.**

18 *(a) FINDINGS AND POLICY.—Congress finds and de-*
 19 *clares that—*

20 *(1) the United States can provide leadership to*
 21 *other bilateral and multilateral development agencies*
 22 *as such agencies expand their support to the micro-*
 23 *enterprise sector; and*

24 *(2) the United States should seek to improve co-*
 25 *ordination among G–7 countries in the support of the*

1 *microenterprise sector in order to leverage the invest-*
 2 *ment of the United States with that of other donor*
 3 *nations.*

4 *(b) SENSE OF CONGRESS.—It is the sense of Congress*
 5 *that—*

6 *(1) the Administrator of the United States Agen-*
 7 *cy for International Development and the Secretary*
 8 *of State should seek to support and strengthen the ef-*
 9 *fectiveness of microfinance activities in United Na-*
 10 *tions agencies, such as the United Nations Develop-*
 11 *ment Program (UNDP), which have provided key*
 12 *leadership in developing the microenterprise sector;*
 13 *and*

14 *(2) the Secretary of the Treasury should instruct*
 15 *each United States Executive Director of the multilat-*
 16 *eral development banks (MDBs) to advocate the devel-*
 17 *opment of a coherent and coordinated strategy to sup-*
 18 *port the microenterprise sector and an increase of*
 19 *multilateral resource flows for the purposes of build-*
 20 *ing microenterprise retail and wholesale inter-*
 21 *mediaries.*

22 **SEC. 110. SENSE OF CONGRESS ON CONSIDERATION OF**
 23 **MEXICO AS A KEY PRIORITY IN MICROENTER-**
 24 **PRISE FUNDING ALLOCATIONS.**

25 *(a) FINDINGS.—Congress makes the following findings:*

1 (1) *An estimated 45,000,000 of Mexico's*
2 *100,000,000 population currently lives below the pov-*
3 *erty line, accounting for 20 percent of all poor in*
4 *Latin America.*

5 (2) *Mexico cannot create enough salaried jobs to*
6 *absorb new workers entering the labor force.*

7 (3) *While many poor families depend on micro-*
8 *enterprise initiatives to generate a livelihood, the*
9 *United States Agency for International Development*
10 *currently has 2 microcredit projects in Mexico, receiv-*
11 *ing less than one percent of overall microenterprise*
12 *funding in Latin America and the Caribbean during*
13 *the last decade.*

14 (4) *Mexico's microenterprise activity has been*
15 *constrained because its financial institutions cannot*
16 *expand financial services to a larger clientele due to*
17 *a lack of capital, inefficient financial and adminis-*
18 *trative management, and a lack of institutional sup-*
19 *port for microfinance institutions' particular needs.*

20 (5) *Mexican nongovernmental organizations,*
21 *such as Compartamos, have demonstrated competence*
22 *in developing local microfinance programs.*

23 (6) *On July 2, 2000, Vicente Fox Quesada of the*
24 *Alliance for Change was elected President of the*
25 *United Mexican States.*

1 (7) *The President-elect of Mexico has identified*
 2 *entrepreneurship and the start-up of new microcredit*
 3 *institutions as key economic priorities.*

4 (8) *Microenterprise and entrepreneurial initia-*
 5 *tives have proven to be successful components of free*
 6 *market development and economic stability.*

7 (b) *SENSE OF CONGRESS.—It is the sense of Congress*
 8 *that—*

9 (1) *providing Mexico’s poor with economic op-*
 10 *portunity and microfinance services is fundamental*
 11 *to Mexico’s economic development;*

12 (2) *microenterprise can have a positive impact*
 13 *on Mexico’s free market development; and*

14 (3) *the United States Agency for International*
 15 *Development should consider Mexico as a key priority*
 16 *in its microenterprise funding allocations.*

17 ***TITLE II—INTERNATIONAL ANTI-***
 18 ***CORRUPTION AND GOOD GOV-***
 19 ***ERNANCE ACT OF 2000***

20 ***SEC. 201. SHORT TITLE.***

21 *This title may be cited as the “International Anti-Cor-*
 22 *ruption and Good Governance Act of 2000”.*

23 ***SEC. 202. FINDINGS AND PURPOSE.***

24 (a) *FINDINGS.—Congress finds the following:*

1 (1) *Widespread corruption endangers the sta-*
2 *bility and security of societies, undermines democ-*
3 *racy, and jeopardizes the social, political, and eco-*
4 *nomic development of a society.*

5 (2) *Corruption facilitates criminal activities,*
6 *such as money laundering, hinders economic develop-*
7 *ment, inflates the costs of doing business, and under-*
8 *mines the legitimacy of the government and public*
9 *trust.*

10 (3) *In January 1997 the United Nations General*
11 *Assembly adopted a resolution urging member states*
12 *to carefully consider the problems posed by the inter-*
13 *national aspects of corrupt practices and to study ap-*
14 *propriate legislative and regulatory measures to en-*
15 *sure the transparency and integrity of financial sys-*
16 *tems.*

17 (4) *The United States was the first country to*
18 *criminalize international bribery through the enact-*
19 *ment of the Foreign Corrupt Practices Act of 1977*
20 *and United States leadership was instrumental in the*
21 *passage of the Organization for Economic Coopera-*
22 *tion and Development (OECD) Convention on Com-*
23 *batting Bribery of Foreign Public Officials in Inter-*
24 *national Business Transactions.*

1 (5) *The Vice President, at the Global Forum on*
2 *Fighting Corruption in 1999, declared corruption to*
3 *be a direct threat to the rule of law and the Secretary*
4 *of State declared corruption to be a matter of pro-*
5 *found political and social consequence for our efforts*
6 *to strengthen democratic governments.*

7 (6) *The Secretary of State, at the Inter-American*
8 *Development Bank's annual meeting in March 2000,*
9 *declared that despite certain economic achievements,*
10 *democracy is being threatened as citizens grow weary*
11 *of the corruption and favoritism of their official insti-*
12 *tutions and that efforts must be made to improve gov-*
13 *ernance if respect for democratic institutions is to be*
14 *regained.*

15 (7) *In May 1996 the Organization of American*
16 *States (OAS) adopted the Inter-American Convention*
17 *Against Corruption requiring countries to provide*
18 *various forms of international cooperation and assist-*
19 *ance to facilitate the prevention, investigation, and*
20 *prosecution of acts of corruption.*

21 (8) *Independent media, committed to fighting*
22 *corruption and trained in investigative journalism*
23 *techniques, can both educate the public on the costs of*
24 *corruption and act as a deterrent against corrupt of-*
25 *ficials.*

1 (9) *Competent and independent judiciary, found-*
2 *ed on a merit-based selection process and trained to*
3 *enforce contracts and protect property rights, is crit-*
4 *ical for creating a predictable and consistent environ-*
5 *ment for transparency in legal procedures.*

6 (10) *Independent and accountable legislatures,*
7 *responsive political parties, and transparent electoral*
8 *processes, in conjunction with professional, account-*
9 *able, and transparent financial management and pro-*
10 *curement policies and procedures, are essential to the*
11 *promotion of good governance and to the combat of*
12 *corruption.*

13 (11) *Transparent business frameworks, including*
14 *modern commercial codes and intellectual property*
15 *rights, are vital to enhancing economic growth and*
16 *decreasing corruption at all levels of society.*

17 (12) *The United States should attempt to im-*
18 *prove accountability in foreign countries, including*
19 *by—*

20 (A) *promoting transparency and account-*
21 *ability through support for independent media,*
22 *promoting financial disclosure by public offi-*
23 *cials, political parties, and candidates for public*
24 *office, open budgeting processes, adequate and ef-*
25 *fective internal control systems, suitable finan-*

1 *cial management systems, and financial and*
2 *compliance reporting;*

3 *(B) supporting the establishment of audit*
4 *offices, inspectors general offices, third party*
5 *monitoring of government procurement processes,*
6 *and anti-corruption agencies;*

7 *(C) promoting responsive, transparent, and*
8 *accountable legislatures that ensure legislative*
9 *oversight and whistle-blower protection;*

10 *(D) promoting judicial reforms that crim-*
11 *inalize corruption and promoting law enforce-*
12 *ment that prosecutes corruption;*

13 *(E) fostering business practices that pro-*
14 *mote transparent, ethical, and competitive be-*
15 *havior in the private sector through the develop-*
16 *ment of an effective legal framework for com-*
17 *merce, including anti-bribery laws, commercial*
18 *codes that incorporate international standards*
19 *for business practices, and protection of intellec-*
20 *tual property rights; and*

21 *(F) promoting free and fair national, state,*
22 *and local elections.*

23 *(b) PURPOSE.—The purpose of this title is to ensure*
24 *that United States assistance programs promote good gov-*
25 *ernance by assisting other countries to combat corruption*

1 *throughout society and to improve transparency and ac-*
 2 *countability at all levels of government and throughout the*
 3 *private sector.*

4 **SEC. 203. DEVELOPMENT ASSISTANCE POLICY.**

5 (a) *GENERAL POLICY.*—Section 101(a) of the Foreign
 6 Assistance Act of 1961 (22 U.S.C. 2151(a)) is amended in
 7 the fifth sentence—

8 (1) *by striking “four” and inserting “five”;*

9 (2) *by striking “and” at the end of paragraph*

10 *(3);*

11 (3) *in paragraph (4), by striking the period at*
 12 *the end and inserting “; and”; and*

13 (4) *by adding at the end the following:*

14 “(5) *the promotion of good governance through*
 15 *combating corruption and improving transparency*
 16 *and accountability.”.*

17 (b) *DEVELOPMENT ASSISTANCE POLICY.*—Section
 18 102(b) of the Foreign Assistance Act of 1961 (22 U.S.C.
 19 2151–1(b)) is amended—

20 (1) *in paragraph (4)—*

21 (A) *by striking “and” at the end of sub-*
 22 *paragraph (E);*

23 (B) *in subparagraph (F), by striking the*
 24 *period at the end and inserting “; and”; and*

25 (C) *by adding at the end the following:*

1 “(G) progress in combating corruption and
 2 improving transparency and accountability in
 3 the public and private sector.”; and
 4 (2) by adding at the end the following:

5 “(17) Economic reform and development of effective
 6 institutions of democratic governance are mutually
 7 reinforcing. The successful transition of a developing
 8 country is dependent upon the quality of its
 9 economic and governance institutions. Rule of law,
 10 mechanisms of accountability and transparency, security
 11 of person, property, and investments, are but a
 12 few of the critical governance and economic reforms
 13 that underpin the sustainability of broad-based economic
 14 growth. Programs in support of such reforms
 15 strengthen the capacity of people to hold their governments
 16 accountable and to create economic opportunity.”.

18 **SEC. 204. DEPARTMENT OF THE TREASURY TECHNICAL AS-**
 19 **SISTANCE PROGRAM FOR DEVELOPING COUN-**
 20 **TRIES.**

21 Section 129(b) of the Foreign Assistance Act of 1961
 22 (22 U.S.C. 2151aa(b)) is amended by adding at the end
 23 the following:

24 “(3) **EMPHASIS ON ANTI-CORRUPTION.**—Such
 25 technical assistance shall include elements designed to

1 *combat anti-competitive, unethical, and corrupt ac-*
 2 *tivities, including protection against actions that*
 3 *may distort or inhibit transparency in market mech-*
 4 *anisms and, to the extent applicable, privatization*
 5 *procedures.”.*

6 **SEC. 205. AUTHORIZATION OF GOOD GOVERNANCE PRO-**
 7 **GRAMS.**

8 *(a) IN GENERAL.—Chapter 1 of part I of the Foreign*
 9 *Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended*
 10 *by sections 105 and 107, is further amended by adding at*
 11 *the end the following:*

12 **“SEC. 133. PROGRAMS TO ENCOURAGE GOOD GOVERNANCE.**

13 **“(a) ESTABLISHMENT OF PROGRAMS.—**

14 **“(1) IN GENERAL.—***The President is authorized*
 15 *to establish programs that combat corruption, im-*
 16 *prove transparency and accountability, and promote*
 17 *other forms of good governance in countries described*
 18 *in paragraph (2).*

19 **“(2) COUNTRIES DESCRIBED.—***A country de-*
 20 *scribed in this paragraph is a country that is eligible*
 21 *to receive assistance under this part (including chap-*
 22 *ter 4 of part II of this Act) or the Support for East*
 23 *European Democracy (SEED) Act of 1989.*

24 **“(3) PRIORITY.—***In carrying out paragraph (1),*
 25 *the President shall give priority to establishing pro-*

1 *grams in countries that received a significant amount*
2 *of United States foreign assistance for the prior fiscal*
3 *year, or in which the United States has a significant*
4 *economic interest, and that continue to have the most*
5 *persistent problems with public and private corrup-*
6 *tion. In determining which countries have the most*
7 *persistent problems with public and private corrup-*
8 *tion under the preceding sentence, the President shall*
9 *take into account criteria such as the Transparency*
10 *International Annual Corruption Perceptions Index,*
11 *standards and codes set forth by the International*
12 *Bank for Reconstruction and Development and the*
13 *International Monetary Fund, and other relevant cri-*
14 *teria.*

15 “(4) *RELATION TO OTHER LAWS.*—

16 “(A) *IN GENERAL.*—Assistance provided for
17 *countries under programs established pursuant*
18 *to paragraph (1) may be made available not-*
19 *withstanding any other provision of law that re-*
20 *stricts assistance to foreign countries. Assistance*
21 *provided under a program established pursuant*
22 *to paragraph (1) for a country that would other-*
23 *wise be restricted from receiving such assistance*
24 *but for the preceding sentence may not be pro-*
25 *vided directly to the government of the country.*

1 “(B) *EXCEPTION.*—Subparagraph (A) does
2 not apply with respect to—

3 “(i) section 620A of this Act or any
4 comparable provision of law prohibiting as-
5 sistance to countries that support inter-
6 national terrorism; or

7 “(ii) section 907 of the Freedom for
8 Russia and Emerging Eurasian Democ-
9 racies and Open Markets Support Act of
10 1992.

11 “(b) *SPECIFIC PROJECTS AND ACTIVITIES.*—The pro-
12 grams established pursuant to subsection (a) shall include,
13 to the extent appropriate, projects and activities that—

14 “(1) support responsible independent media to
15 promote oversight of public and private institutions;

16 “(2) implement financial disclosure among pub-
17 lic officials, political parties, and candidates for pub-
18 lic office, open budgeting processes, and transparent
19 financial management systems;

20 “(3) support the establishment of audit offices,
21 inspectors general offices, third party monitoring of
22 government procurement processes, and anti-corrup-
23 tion agencies;

24 “(4) promote responsive, transparent, and ac-
25 countable legislatures and local governments that en-

1 *sure legislative and local oversight and whistle-blower*
2 *protection;*

3 *“(5) promote legal and judicial reforms that*
4 *criminalize corruption and law enforcement reforms*
5 *and development that encourage prosecutions of*
6 *criminal corruption;*

7 *“(6) assist in the development of a legal frame-*
8 *work for commercial transactions that fosters business*
9 *practices that promote transparent, ethical, and com-*
10 *petitive behavior in the economic sector, such as com-*
11 *mercial codes that incorporate international stand-*
12 *ards and protection of intellectual property rights;*

13 *“(7) promote free and fair national, state, and*
14 *local elections;*

15 *“(8) foster public participation in the legislative*
16 *process and public access to government information;*
17 *and*

18 *“(9) engage civil society in the fight against cor-*
19 *ruption.*

20 *“(c) CONDUCT OF PROJECTS AND ACTIVITIES.—*

21 *Projects and activities under the programs established pur-*
22 *suant to subsection (a) may include, among other things,*
23 *training and technical assistance (including drafting of*
24 *anti-corruption, privatization, and competitive statutory*
25 *and administrative codes), drafting of anti-corruption, pri-*

1 *vatization, and competitive statutory and administrative*
 2 *codes, support for independent media and publications, fi-*
 3 *nancing of the program and operating costs of nongovern-*
 4 *mental organizations that carry out such projects or activi-*
 5 *ties, and assistance for travel of individuals to the United*
 6 *States and other countries for such projects and activities.*

7 “(d) *ANNUAL REPORT.*—

8 “(1) *IN GENERAL.*—*The Secretary of State, in*
 9 *consultation with the Secretary of Commerce and the*
 10 *Administrator of the United States Agency for Inter-*
 11 *national Development, shall prepare and transmit to*
 12 *the Committee on International Relations and the*
 13 *Committee on Appropriations of the House of Rep-*
 14 *resentatives and the Committee on Foreign Relations*
 15 *and the Committee on Appropriations of the Senate*
 16 *an annual report on—*

17 “(A) *projects and activities carried out*
 18 *under programs established under subsection (a)*
 19 *for the prior year in priority countries identified*
 20 *pursuant to subsection (a)(3); and*

21 “(B) *projects and activities carried out*
 22 *under programs to combat corruption, improve*
 23 *transparency and accountability, and promote*
 24 *other forms of good governance established under*

1 *other provisions of law for the prior year in such*
2 *countries.*

3 “(2) *REQUIRED CONTENTS.*—*The report required*
4 *by paragraph (1) shall contain the following informa-*
5 *tion with respect to each country described in para-*
6 *graph (1):*

7 “(A) *A description of all United States Gov-*
8 *ernment-funded programs and initiatives to*
9 *combat corruption and improve transparency*
10 *and accountability in the country.*

11 “(B) *A description of United States diplo-*
12 *matic efforts to combat corruption and improve*
13 *transparency and accountability in the country.*

14 “(C) *An analysis of major actions taken by*
15 *the government of the country to combat corrup-*
16 *tion and improve transparency and account-*
17 *ability in the country.*

18 “(e) *FUNDING.*—*Amounts made available to carry out*
19 *the other provisions of this part (including chapter 4 of part*
20 *II of this Act) and the Support for East European Democ-*
21 *racy (SEED) Act of 1989 shall be made available to carry*
22 *out this section.”.*

23 “(b) *DEADLINE FOR INITIAL REPORT.*—*The initial an-*
24 *nual report required by section 133(d)(1) of the Foreign As-*
25 *sistance Act of 1961, as added by subsection (a), shall be*

1 *transmitted not later than 180 days after the date of the*
 2 *enactment of this Act.*

3 ***TITLE III—INTERNATIONAL ACADEMIC OPPORTUNITY ACT OF***
 4 ***2000***

6 ***SEC. 301. SHORT TITLE.***

7 *This title may be cited as the “International Academic*
 8 *Opportunity Act of 2000”.*

9 ***SEC. 302. STATEMENT OF PURPOSE.***

10 *It is the purpose of this title to establish an under-*
 11 *graduate grant program for students of limited financial*
 12 *means from the United States to enable such students to*
 13 *study abroad. Such foreign study is intended to broaden*
 14 *the outlook and better prepare such students of dem-*
 15 *onstrated financial need to assume significant roles in the*
 16 *increasingly global economy.*

17 ***SEC. 303. ESTABLISHMENT OF GRANT PROGRAM FOR FOR-***
 18 ***EIGN STUDY BY AMERICAN COLLEGE STU-***
 19 ***DENTS OF LIMITED FINANCIAL MEANS.***

20 *(a) ESTABLISHMENT.—Subject to the availability of*
 21 *appropriations and under the authorities of the Mutual*
 22 *Educational and Cultural Exchange Act of 1961, the Sec-*
 23 *retary of State shall establish and carry out a program in*
 24 *each fiscal year to award grants of up to \$5,000, to individ-*
 25 *uals who meet the requirements of subsection (b), toward*

1 *the cost of up to one academic year of undergraduate study*
2 *abroad. Grants under this Act shall be known as the “Ben-*
3 *jamin A. Gilman International Scholarships”.*

4 (b) *ELIGIBILITY.—An individual referred to in sub-*
5 *section (a) is an individual who—*

6 (1) *is a student in good standing at an institu-*
7 *tion of higher education in the United States (as de-*
8 *finied in section 101(a) of the Higher Education Act*
9 *of 1965);*

10 (2) *has been accepted for up to one academic*
11 *year of study on a program of study abroad approved*
12 *for credit by the student’s home institution;*

13 (3) *is receiving any need-based student assist-*
14 *ance under title IV of the Higher Education Act of*
15 *1965; and*

16 (4) *is a citizen or national of the United States.*

17 (c) *APPLICATION AND SELECTION.—*

18 (1) *Grant application and selection shall be car-*
19 *ried out through accredited institutions of higher edu-*
20 *cation in the United States or a combination of such*
21 *institutions under such procedures as are established*
22 *by the Secretary of State.*

23 (2) *In considering applications for grants under*
24 *this section—*

1 (A) consideration of financial need shall in-
2 clude the increased costs of study abroad; and

3 (B) priority consideration shall be given to
4 applicants who are receiving Federal Pell Grants
5 under title IV of the Higher Education Act of
6 1965.

7 **SEC. 304. REPORT TO CONGRESS.**

8 The Secretary of State shall report annually to the
9 Congress concerning the grant program established under
10 this title. Each such report shall include the following infor-
11 mation for the preceding year:

12 (1) The number of participants.

13 (2) The institutions of higher education in the
14 United States that participants attended.

15 (3) The institutions of higher education outside
16 the United States participants attended during their
17 study abroad.

18 (4) The areas of study of participants.

19 **SEC. 305. AUTHORIZATION OF APPROPRIATIONS.**

20 There are authorized to be appropriated \$1,500,000 for
21 each fiscal year to carry out this title.

22 **SEC. 306. EFFECTIVE DATE.**

23 This title shall take effect October 1, 2000.

***TITLE IV—MISCELLANEOUS
PROVISIONS***

SEC. 401. SUPPORT FOR OVERSEAS COOPERATIVE DEVELOPMENT ACT.

(a) SHORT TITLE.—This section may be cited as the “Support for Overseas Cooperative Development Act”.

(b) FINDINGS.—The Congress makes the following findings:

(1) It is in the mutual economic interest of the United States and peoples in developing and transitional countries to promote cooperatives and credit unions.

(2) Self-help institutions, including cooperatives and credit unions, provide enhanced opportunities for people to participate directly in democratic decision-making for their economic and social benefit through ownership and control of business enterprises and through the mobilization of local capital and savings and such organizations should be fully utilized in fostering free market principles and the adoption of self-help approaches to development.

(3) The United States seeks to encourage broad-based economic and social development by creating and supporting—

1 (A) *agricultural cooperatives that provide a*
 2 *means to lift low income farmers and rural peo-*
 3 *ple out of poverty and to better integrate them*
 4 *into national economies;*

5 (B) *credit union networks that serve people*
 6 *of limited means through safe savings and by ex-*
 7 *tending credit to families and microenterprises;*

8 (C) *electric and telephone cooperatives that*
 9 *provide rural customers with power and tele-*
 10 *communications services essential to economic*
 11 *development;*

12 (D) *housing and community-based coopera-*
 13 *tives that provide low income shelter and work*
 14 *opportunities for the urban poor; and*

15 (E) *mutual and cooperative insurance com-*
 16 *panies that provide risk protection for life and*
 17 *property to under-served populations often*
 18 *through group policies.*

19 (c) *GENERAL PROVISIONS.—*

20 (1) *DECLARATIONS OF POLICY.—The Congress*
 21 *supports the development and expansion of economic*
 22 *assistance programs that fully utilize cooperatives*
 23 *and credit unions, particularly those programs com-*
 24 *mitted to—*

1 (A) *international cooperative principles,*
 2 *democratic governance and involvement of*
 3 *women and ethnic minorities for economic and*
 4 *social development;*

5 (B) *self-help mobilization of member sav-*
 6 *ings and equity and retention of profits in the*
 7 *community, except for those programs that are*
 8 *dependent on donor financing;*

9 (C) *market-oriented and value-added activi-*
 10 *ties with the potential to reach large numbers of*
 11 *low income people and help them enter into the*
 12 *mainstream economy;*

13 (D) *strengthening the participation of rural*
 14 *and urban poor to contribute to their country's*
 15 *economic development; and*

16 (E) *utilization of technical assistance and*
 17 *training to better serve the member-owners.*

18 (2) *DEVELOPMENT PRIORITIES.*—*Section 111 of*
 19 *the Foreign Assistance Act of 1961 (22 U.S.C. 2151i)*
 20 *is amended by adding at the end the following: “In*
 21 *meeting the requirement of the preceding sentence,*
 22 *specific priority shall be given to the following:*

23 “(1) *AGRICULTURE.*—*Technical assistance to low*
 24 *income farmers who form and develop member-owned*

1 *cooperatives for farm supplies, marketing and value-*
2 *added processing.*

3 “(2) *FINANCIAL SYSTEMS.*—*The promotion of*
4 *national credit union systems through credit union-*
5 *to-credit union technical assistance that strengthens*
6 *the ability of low income people and micro-entre-*
7 *preneurs to save and to have access to credit for their*
8 *own economic advancement.*

9 “(3) *INFRASTRUCTURE.*—*The support of rural*
10 *electric and telecommunication cooperatives for access*
11 *for rural people and villages that lack reliable electric*
12 *and telecommunications services.*

13 “(4) *HOUSING AND COMMUNITY SERVICES.*—*The*
14 *promotion of community-based cooperatives which*
15 *provide employment opportunities and important*
16 *services such as health clinics, self-help shelter, envi-*
17 *ronmental improvements, group-owned businesses,*
18 *and other activities.”.*

19 (d) *REPORT.*—*Not later than 6 months after the date*
20 *of enactment of this Act, the Administrator of the United*
21 *States Agency for International Development, in consulta-*
22 *tion with the heads of other appropriate agencies, shall pre-*
23 *pare and submit to Congress a report on the implementa-*
24 *tion of section 111 of the Foreign Assistance Act of 1961*
25 *(22 U.S.C. 2151i), as amended by subsection (c).*

1 **SEC. 402. FUNDING OF CERTAIN ENVIRONMENTAL ASSIST-**
2 **ANCE ACTIVITIES OF USAID.**

3 (a) *ALLOCATION OF FUNDS FOR CERTAIN ENVIRON-*
4 *MENTAL ACTIVITIES.*—Of the amounts authorized to be ap-
5 propriated for the fiscal year 2001 to carry out chapter 1
6 of part I of the Foreign Assistance Act of 1961 (22 U.S.C.
7 2151 *et seq.*; relating to development assistance), there is
8 authorized to be available at least \$60,200,000 to carry out
9 activities of the type carried out by the Global Environment
10 Center of the United States Agency for International Devel-
11 opment during fiscal year 2000.

12 (b) *ALLOCATION FOR WATER AND COASTAL RE-*
13 *SOURCES.*—Of the amounts made available under sub-
14 section (a), at least \$2,500,000 shall be available for water
15 and coastal resources activities under the natural resources
16 management function specified in that subsection.

17 **SEC. 403. PROCESSING OF APPLICATIONS FOR TRANSPOR-**
18 **TATION OF HUMANITARIAN ASSISTANCE**
19 **ABROAD BY THE DEPARTMENT OF DEFENSE.**

20 (a) *PRIORITY FOR DISASTER RELIEF ASSISTANCE.*—
21 In processing applications for the transportation of human-
22 itarian assistance abroad under section 402 of title 10,
23 United States Code, the Administrator of the United States
24 Agency for International Development shall afford a pri-
25 ority to applications for the transportation of disaster relief
26 assistance.

1 (b) *MODIFICATION OF APPLICATIONS.*—*The Adminis-*
 2 *trator of the United States Agency for International Devel-*
 3 *opment shall take all possible actions to assist applicants*
 4 *for the transportation of humanitarian assistance abroad*
 5 *under such section 402 in modifying or completing applica-*
 6 *tions submitted under such section in order to meet applica-*
 7 *ble requirements under such section. The actions shall in-*
 8 *clude efforts to contact such applicants for purposes of the*
 9 *modification or completion of such applications.*

10 **SEC. 404. WORKING CAPITAL FUND.**

11 *Section 635 of the Foreign Assistance Act of 1961 (22*
 12 *U.S.C. 2395) is amended by adding at the end the following*
 13 *new subsection:*

14 “(m)(1) *There is established a working capital fund*
 15 *(in this subsection referred to as the ‘fund’) for the United*
 16 *States Agency for International Development (in this sub-*
 17 *section referred to as the ‘Agency’) which shall be available*
 18 *without fiscal year limitation for the expenses of personal*
 19 *and nonpersonal services, equipment, and supplies for—*

20 “(A) *International Cooperative Administrative*
 21 *Support Services; and*

22 “(B) *rebates from the use of United States Gov-*
 23 *ernment credit cards.*

24 “(2) *The capital of the fund shall consist of—*

1 “(A) the fair and reasonable value of such sup-
2 plies, equipment, and other assets pertaining to the
3 functions of the fund as the Administrator deter-
4 mines,

5 “(B) rebates from the use of United States Gov-
6 ernment credit cards, and

7 “(C) any appropriations made available for the
8 purpose of providing capital,
9 minus related liabilities.

10 “(3) The fund shall be reimbursed or credited with ad-
11 vance payments for services, equipment, or supplies pro-
12 vided from the fund from applicable appropriations and
13 funds of the Agency, other Federal agencies and other
14 sources authorized by section 607 at rates that will recover
15 total expenses of operation, including accrual of annual
16 leave and depreciation. Receipts from the disposal of, or
17 payments for the loss or damage to, property held in the
18 fund, rebates, reimbursements, refunds and other credits ap-
19 plicable to the operation of the fund may be deposited in
20 the fund.

21 “(4) At the close of each fiscal year the Administrator
22 of the Agency shall transfer out of the fund to the miscella-
23 neous receipts account of the Treasury of the United States
24 such amounts as the Administrator determines to be in ex-
25 cess of the needs of the fund.

1 “(5) *The fund may be charged with the current value*
 2 *of supplies and equipment returned to the working capital*
 3 *of the fund by a post, activity, or agency, and the proceeds*
 4 *shall be credited to current applicable appropriations.”.*

5 **SEC. 405. INCREASE IN AUTHORIZED NUMBER OF EMPLOY-**
 6 **EES AND REPRESENTATIVES OF THE UNITED**
 7 **STATES MISSION TO THE UNITED NATIONS**
 8 **PROVIDED LIVING QUARTERS IN NEW YORK.**

9 *Section 9(2) of the United Nations Participation Act*
 10 *of 1945 (22 U.S.C. 287e-1(2)) is amended by striking “18”*
 11 *and inserting “30”.*

12 **SEC. 406. AVAILABILITY OF VOA AND RADIO MARTI MULTI-**
 13 **LINGUAL COMPUTER READABLE TEXT AND**
 14 **VOICE RECORDINGS.**

15 *Section 1(b) of Public Law 104-269 (110 Stat. 3300)*
 16 *is amended by striking “5 years” and inserting “10 years”.*

17 **SEC. 407. AVAILABILITY OF CERTAIN MATERIALS OF THE**
 18 **VOICE OF AMERICA.**

19 (a) *AUTHORITY.—*

20 (1) *IN GENERAL.—Subject to the provisions of*
 21 *this section, the Broadcasting Board of Governors (in*
 22 *this section referred to as the “Board”)* *is authorized*
 23 *to make available to the Institute for Media Develop-*
 24 *ment (in this section referred to as the “Institute”),*
 25 *at the request of the Institute, previously broadcast*

1 *audio and video materials produced by the Africa Di-*
2 *vision of the Voice of America.*

3 (2) *DEPOSIT OF MATERIALS.*—*Upon the request*
4 *of the Institute and the approval of the Board, mate-*
5 *rials made available under paragraph (1) may be de-*
6 *posited with the University of California, Los Ange-*
7 *les, or such other appropriate institution of higher*
8 *education (as defined in section 101(a) of the Higher*
9 *Education Act of 1965 (20 U.S.C. 1001(a)) that is*
10 *approved by the Board for such purpose.*

11 (3) *SUPERSEDES EXISTING LAW.*—*Materials*
12 *made available under paragraph (1) may be provided*
13 *notwithstanding section 501 of the United States In-*
14 *formation and Educational Exchange Act of 1948 (22*
15 *U.S.C. 1461) and section 208 of the Foreign Relations*
16 *Authorization Act, Fiscal Years 1986 and 1987 (22*
17 *U.S.C. 1461–1a).*

18 (b) *LIMITATIONS.*—

19 (1) *AUTHORIZED PURPOSES.*—*Materials made*
20 *available under this section shall be used only for aca-*
21 *demic and research purposes and may not be used for*
22 *public or commercial broadcast purposes.*

23 (2) *PRIOR AGREEMENT REQUIRED.*—*Before mak-*
24 *ing available materials under subsection (a)(1), the*

1 *Board shall enter into an agreement with the Insti-*
2 *tute providing for—*

3 *(A) reimbursement of the Board for any ex-*
4 *penses involved in making such materials avail-*
5 *able;*

6 *(B) the establishment of guidelines by the*
7 *Institute for the archiving and use of the mate-*
8 *rials to ensure that copyrighted works contained*
9 *in those materials will not be used in a manner*
10 *that would violate the copyright laws of the*
11 *United States (including international copyright*
12 *conventions to which the United States is a*
13 *party);*

14 *(C) the indemnification of the United States*
15 *by the Institute in the event that any use of the*
16 *materials results in violation of the copyright*
17 *laws of the United States (including inter-*
18 *national copyright conventions to which the*
19 *United States is a party);*

20 *(D) the authority of the Board to terminate*
21 *the agreement if the provisions of paragraph (1)*
22 *are violated; and*

23 *(E) any other terms and conditions relating*
24 *to the materials that the Board considers appro-*
25 *priate.*

1 (c) *CREDITING OF REIMBURSEMENTS TO BOARD AP-*
 2 *PROPRIATIONS ACCOUNT.*—Any reimbursement of the
 3 Board under subsection (b) shall be deposited as an offset-
 4 ting collection to the currently applicable appropriation ac-
 5 count of the Board.

6 (d) *TERMINATION OF AUTHORITY.*—The authority
 7 provided under this section shall cease to have effect on the
 8 date that is 5 years after the date of enactment of this Act.

9 **SEC. 408. PAUL D. COVERDELL FELLOWS PROGRAM ACT OF**
 10 **2000.**

11 (a) *SHORT TITLE.*—This section may be cited as the
 12 “Paul D. Coverdell Fellows Program Act of 2000”.

13 (b) *FINDINGS.*—Congress makes the following findings:

14 (1) *Paul D. Coverdell was elected to the George*
 15 *State Senate in 1970 and later became Minority*
 16 *Leader of the Georgia State Senate, a post he held for*
 17 *15 years.*

18 (2) *Paul D. Coverdell served with distinction as*
 19 *the 11th Director of the Peace Corps from 1989 to*
 20 *1991, where he promoted a fellowship program that*
 21 *was composed of returning Peace Corps volunteers*
 22 *who agreed to work in underserved American commu-*
 23 *nities while they pursued educational degrees.*

1 (3) *Paul D. Coverdell served in the United States*
2 *Senate from the State of Georgia from 1993 until his*
3 *sudden death on July 18, 2000.*

4 (4) *Senator Paul D. Coverdell was beloved by his*
5 *colleagues for his civility, bipartisan efforts, and his*
6 *dedication to public service.*

7 (c) *DESIGNATION OF PAUL D. COVERDELL FELLOWS*
8 *PROGRAM.—*

9 (1) *IN GENERAL.—Effective on the date of enact-*
10 *ment of this Act, the program under section 18 of the*
11 *Peace Corps Act (22 U.S.C. 2517) referred to before*
12 *such date as the “Peace Corps Fellows/USA Program”*
13 *is redesignated as the “Paul D. Coverdell Fellows*
14 *Program”.*

15 (2) *REFERENCES.—Any reference before the date*
16 *of enactment of this Act in any law, regulation, order,*
17 *document, record, or other paper of the United States*
18 *to the Peace Corps Fellows/USA Program shall, on*
19 *and after such date, be considered to refer to the Paul*
20 *D. Coverdell Fellows Program.*

Attest:

Secretary.

106TH CONGRESS
2D SESSION

H. R. 1143

AMENDMENT

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